

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:)	
)	Chapter 11
)	
FIELDWOOD ENERGY LLC, <i>et al.</i> ,)	Case No. 20-33948 (MI)
)	
Debtors. ¹)	Jointly Administered
)	

**HUNT OIL COMPANY, CHIEFTAIN INTERNATIONAL (U.S.) L.L.C., AND
HUNT CHIEFTAIN DEVELOPMENT, L.P.’S JOINDER TO THE
(A) OBJECTION OF CHEVRON U.S.A. INC. AND NOBLE ENERGY, INC.,
(B) OBJECTION OF XTO OFFSHORE, INC., HHE ENERGY COMPANY, AND XH
LLC, (C) OBJECTION OF MARATHON OIL COMPANY, AND (D) OBJECTION OF
ENI US OPERATING CO. INC. AND ENI PETROLEUM US LLC TO THE
DISCLOSURE STATEMENT FOR THE JOINT CHAPTER 11 PLAN
OF FIELDWOOD ENERGY, LLC AND ITS AFFILIATED DEBTORS**

Hunt Oil Company and its subsidiaries Chieftain International (U.S.) L.L.C. (formerly Chieftain International (U.S.), Inc.) and Hunt Chieftain Development, L.P. (collectively, “Hunt”) object to the *Disclosure Statement for Joint Chapter 11 Plan of Fieldwood Energy LLC and its Affiliated Debtors* [Docket No. 723] (the “Disclosure Statement”) and Motion (as defined below) in the above-captioned, jointly administered bankruptcy cases and hereby join, adopt and incorporate by reference (this “Joinder”) (A) *Chevron U.S.A. and Noble Energy, Inc.’s Objection to Debtors’ Motion for Entry of an Order Approving (I) the Adequacy of the Disclosure Statement, (II) Proposed Voting and Tabulation Procedures, (III) Procedures for Executory*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Dynamic Offshore Resources NS, LLC (0158); Fieldwood Energy LLC (6778); Fieldwood Energy Inc. (4991); Fieldwood Energy Offshore LLC (4494); Fieldwood Onshore LLC (3489); Fieldwood SD Offshore LLC (8786); Fieldwood Offshore LLC (2930); FW GOM Pipeline, Inc. (8440); GOM Shelf LLC (8107); Bandon Oil and Gas GP, LLC (9172); Bandon Oil and Gas, LP (9266); Fieldwood Energy SP LLC (1971); Galveston Bay Pipeline LLC (5703); and Galveston Bay Processing LLC (0422). The Debtors’ primary mailing address is 2000 W. Sam Houston Parkway S., Suite 1200, Houston, TX 77042.

Contract Assumption and Assignment, and (IV) Procedures for Assignment and Transfer of Property of the Estate [Docket No. 880] (the “Chevron Objection”); (B) the *Objection of XTO Offshore, Inc. HHE Energy Company, and XH LLC to the Disclosure Statement for the Joint Chapter 11 Plan of Fieldwood Energy, LLC and its Affiliated Debtors* [Docket No. 900] (the “XTO Objection”); (C) *Marathon Oil Company’s Objection to the Debtors’ Disclosure Statement, Procedures for Assumption of Executory Contracts and Transfer of Property of the Estate* [Docket No. 924] (the “Marathon Objection”); and (D) the *Objection of Eni US Operating Co. Inc. and Eni Petroleum US LLC to Approval of Debtors’ Disclosure Statement for Debtors’ Joint Chapter 11 Plan of Reorganization* [Docket No. 937] (the “Eni Objection”). In support of its Joinder, Hunt respectfully represents as follows:²

FACTUAL BACKGROUND

A. Hunt’s Sale of Its Gulf of Mexico Properties in 2012

1. Based in Dallas, Texas, Hunt is a private, independent oil and natural gas company engaged in the exploration, development, extraction and production of oil and gas in various resource plays in the United States and around the world.

2. In 2012, Hunt sold substantially all of its Gulf of Mexico (“GOM”) assets to Dynamic Offshore Resources, LLC (“Dynamic”) through a purchase and sale agreement (“PSA”) dated May 9, 2012. At the time of the sale, Dynamic was in the process of merging with Sandridge Energy, Inc. (“Sandridge”). Hunt has completely divested its interests in the offshore GOM assets sold to Dynamic and has neither operated nor owned a working interest in any of the GOM assets for nearly a decade.

² Capitalized terms used but not defined herein shall have the respective meanings prescribed to them in the Disclosure Statement, as applicable.

3. In 2014, Fieldwood Energy LLC (“Fieldwood”), as part of its business expansion in the GOM, purchased Sandridge’s portfolio of GOM assets, which included the GOM assets Hunt had sold to Dynamic back in 2012 under the PSA.

B. The Chapter 11 Cases and Meeting with the Debtors

4. On August 3 and August 4, 2020, Fieldwood and 13 affiliated debtors (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “Court”).

5. On January 1, 2021, the Debtors filed the *Joint Chapter 11 Plan of Fieldwood Energy LLC and its Affiliated Debtors* [Docket No. 722] (the “Plan”), the Disclosure Statement, and the *Motion of the Debtors for Entry of Order (I) Approving Disclosure Statement and Form and Manner of Notice of Disclosure Statement Hearing; (II) Establishing Solicitation and Voting Procedures; (III) Scheduling Confirmation Hearing; (IV) Establishing Notice and Objection Procedures for Confirmation of the Proposed Plan; (V) Approving Notice and Objection Procedures for the Assumption of Executory Contracts and Unexpired Leases; (VI) Approving Procedures for Objections to the Assignment and Transfer of Property of the Estate; (VII) Approving Bid Submission Deadline and Procedures for Submission of Higher or Better Bids; and (VIII) Granting Related Relief* [Docket No. 724] (the “Motion”).

6. Last month, the Debtors provided to Hunt a high-level presentation of their unprecedented strategy of seeking to impermissibly “abandon” and forcibly return to Hunt the Debtors’ interests in oil and gas leases that Hunt has no obligation to take. The Debtors’ materials identified their interests in specific oil and gas leases in the fields Ship Shoal 300/314/315, South Pass 37, Eugene Island 62/63/77, South Marsh Island 268/269/280/281, Ship

Shoal 190/206/216, Ship Shoal 204, and East Cameron 349. The Debtors also identified leasehold interests in the fields South Marsh Island 39, South Timbalier 242, and Vermillion 229, for which the Debtors had identified Hunt as a party in interest, and which the Debtors propose to transfer to FWE III and NewCo, respectively, if the Plan and transactions contemplated therein are approved.

7. Using the limited information provided by the Debtors, Hunt is still in the process of determining the anticipated decommissioning and P&A obligations in respect of the purported abandoned properties and other shelf assets that may be implicated by the Debtors' proposed abandonment strategy.

OBJECTIONS AND JOINDER

8. Hunt joins and incorporates the Chevron Objection, filed February 12, 2021, the XTO Objection, filed February 22, 2021, the Marathon Objection, filed March 1, 2021, and the Eni Objection, filed on March 3, 2021, including objections raised therein to the feasibility and confirmability of the Plan. Failing to remediate such glaring deficiencies in the Disclosure Statement for what is already a precarious restructuring strategy and rushing into solicitation in respect of a plan that is fatally flawed would be a further waste of estate resources.

RESERVATION OF RIGHTS

9. Hunt expressly reserves its rights (i) to supplement the Joinder at any time before or at the hearing in connection with the relief requested by the Debtors and Hunt, or any subsequent hearing; (ii) to assert additional objections, rights, entitlements, or requests for relief as additional information becomes known; (iii) to further object to the Plan or Disclosure Statement on any and all grounds; and (iv) to join in other objections or requests for relief and adopt them as its own. Hunt waives nothing.

CONCLUSION

10. Hunt respectfully requests that the Court deny approval of the Disclosure Statement and Motion until the Debtors provide information sufficient to comply with section 1125 of the Bankruptcy Code, including addressing the issues set forth herein, and grant any such other and further relief as the Court may deem as just and proper.

Dated: March 11, 2021

Respectfully submitted,

BAKER BOTTS L.L.P.

/s/ James R. Prince

James R. Prince, State Bar No. 00784791
Kevin Chiu, State Bar No. 24109723
jim.prince@bakerbotts.com
kevin.chiu@bakerbotts.com
BAKER BOTTS L.L.P.
2001 Ross Avenue, Suite 900
Dallas, TX 75201-2980
Telephone: 214.953.6500
Facsimile: 214.661.6503

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David R. Eastlake, State Bar No. 24074165
david.eastlake@bakerbotts.com
BAKER BOTTS L.L.P.
910 Louisiana Street
Houston, Texas 77002-4995
Telephone: 713.229.1234
Facsimile: 713.229.1522

Counsel for Hunt Oil Company